

First Homes consultation: NHF response

1 May 2020

Summary

- The National Housing Federation supports the goal of increasing home ownership and believes that First Homes – homes for sale at a discount to the market price in perpetuity – could make an important contribution to this aim.
- However, we are concerned that if the discount is funded via Section 106 contributions as proposed, the policy will significantly reduce the supply of social and affordable homes to rent in areas of high need.
- We also note that in many areas First Homes are unlikely to be affordable to most buyers without a very significant, and therefore expensive, discount. In most local authority areas, even a 50% discount would not bring median-priced new homes within reach of median income households.
- Given the challenges posed by the coronavirus crisis, we also believe that any changes to the planning and development process should be introduced in a way that minimises risk and uncertainty.
- Therefore, we argue that First Homes should be introduced into the planning system but local planning authorities should retain the power to decide which affordable tenures – including First Homes – best meet the needs of their local communities.
- Piloting First Homes would give an opportunity to properly evaluate demand, and the impact on affordable housing supply and overall delivery.

Introduction

The National Housing Federation (NHF) welcomes the opportunity to respond to [the government's consultation on implementing the First Homes policy](#).

The NHF is the voice of almost 800 housing associations in England, providing more than two and a half million homes for around six million people. Our vision is for a country where everyone can live in a good quality home they can afford.

We support efforts to extend home ownership. Housing associations have an excellent record of supporting home ownership through shared ownership, a tried and tested tenure that allows people to become part owners with as little as 25% ownership share in their home, which they can increase to 100% over time. We are working with the government to improve shared ownership still further.

We support many of the features of First Homes – we believe that homes sold at a discount to market value in perpetuity could make an important contribution to supporting people into homeownership in many areas. However, we are concerned about the proposed mechanisms for introducing First Homes into the planning system and funding the discount, which we think risk reducing the supply of other affordable tenures which would better meet local need.

This consultation response:

- Summarises three issues with implementing First Homes as proposed (pages 3-4) and our preferred approach to implementation (page 5)
- Answers the consultation questions in turn (pages 6-19).

For more information about our work around First Homes, please contact our Head of Policy, Will Jeffwitz via will.jeffwitz@housing.org.uk.

The effects of implementing First Homes as proposed

The proposal is that the discount on First Homes is funded primarily via Section 106 contributions, with a proportion of either the total homes on a site, or the affordable homes, nationally mandated as First Homes. We believe there are three related issues with this approach, which our preferred approach to implementation would overcome (see page 5) would overcome.

1. Affordability and local housing need

On many sites First Homes might not be the most effective way to meet local housing need. Groups highlighted as beneficiaries for First Homes, notably key workers, are unlikely to be able to afford the deposit or qualify for the mortgage required in many parts of the country.

In most local authority areas, even a 50% discount would not bring median-priced new homes within reach of median income households. In one-third of local authority areas, First Homes at a 30% discount would make ownership accessible for fewer than 10% of non-owner households who can't currently afford to buy.¹

There are 2.1m key workers living in the private rented sector (PRS) - workers who have been vital to society's response to the Coronavirus crisis. In six out of nine regions, the median house price is more than 10 times the median earnings of a key worker living in the PRS. A thirty percent discount on house prices would not bring this within reach for median-earning key workers.²

2. Impact on affordable housing supply

Implementing First Homes as proposed would reduce the delivery via Section 106 contributions of more affordable tenures to rent and buy, which might better meet local need.

In 2018/19, 28,000 affordable homes were delivered through Section 106 contributions – 46% of all affordable housing delivery and 52% of new housing. The majority are affordable rent homes, followed by shared ownership and social rent homes.

¹ From analysis conducted by Savills for the NHF

² NHF analysis of LFS statistics

First Homes would require a deeper discount than most shared ownership homes, many affordable rent and even social rent homes – depending on the discount offered and the values in local markets. Therefore, **one First Home is likely to result in the loss of more than one other affordable home.**

If 40% of homes delivered through Section 106 were displaced by First Homes, it would **cost approximately £1bn in additional social housing grant per year to replace them.**³ The recent announcement of a £12.2bn Affordable Homes Programme (AHP) is a welcome increase on the previous programme, but would not make up this difference.

Further, **First Homes would not simply displace more affordable tenures directly, but may have a ‘negative multiplier’ effect on overall affordable housing supply.** Shared ownership is an important part of an overall affordable housing programme for many housing associations, because of its different cashflow and viability profile. A reduction in shared ownership homes – directly from Section 106 and via displacement of shared ownership in the market – could worsen the viability of an overall affordable housing programme, requiring further grant even to maintain existing output of rented tenures.

3. Impact on overall housing supply

First Homes risks undermining the government’s ambitions to increase overall housebuilding, particularly at this time of economic and market uncertainty. This is because a high number and mix of affordable tenures including rent can accelerate buildout rates on large sites by serving multiple markets simultaneously⁴, perhaps even doubling overall buildout rate.⁵ And at present, Section 106 homes are typically sold in a bulk transaction to a housing association, boosting developer cashflow upfront.

In contrast, **delivering a high number of First Homes in place of other affordable tenures will slow down overall absorption rates and increase cashflow uncertainty.**

This is particularly likely to be the case at present given the significant uncertainty around the housing market and construction caused by the coronavirus crisis,

³ From analysis conducted by Savills for the NHF

⁴ www.gov.uk/government/publications/independent-review-of-build-out-final-report

⁵ <https://lichfields.uk/content/insights/start-to-finish>

making it more likely that the introduction of First Homes as proposed would further dampen housebuilding.

Our preferred approach

In order to deliver First Homes while mitigating the risks described above, **we think that local planning authorities should retain discretion over the number of First Homes required to be delivered on each site**, rather than imposing national mandatory levels.

This would ensure that delivery of First Homes reflected the priorities of local residents. It would allow local authorities to take into account the local market and evidence of need, to consider in detail the impact on other affordable tenures, and on build out rates.

For example, in an area with strong demand for First Homes, but little need for other affordable tenures, First Homes could be built with developers confident of quick sales. But in an area of low demand where other tenures would be more appropriate, sites could be built out more quickly, at lower risk, and better meet local need, than if First Homes were imposed from the start.

Given the current uncertainty, **piloting First Homes before rolling it out more widely** would give a better understanding of likely demand and any impact on affordable housing supply and build-out rates.

We are happy to work with the government to explore these issues further.

Our response to the consultation questions

Ensuring First Homes are affordable

Question 1.

- a) Do you agree with a minimum discount of 30% (but with local flexibility to set a higher one)?
- b) If not, what should the minimum discount be?
 - i. 20% ii. 40% iii. Other (please specify)

Our response

Discounts should be considered in the context of wide local variations in housing affordability and the viability of development.

A minimum 20% discount, as per the National Planning Policy Framework (NPPF) definition of discount market sale homes, seems a reasonable floor and would maintain the viability of First Homes for developers in a greater number of places.

Higher discounts should be allowable where necessary to meet local market need, but we would caution against very deep discounts. These would lead to fewer First Homes being viable, and could trap many buyers in a position where they are unable to bridge the gap to their next, full-price home. Not only would this limit their mobility, it would reduce the recirculation of First Homes for future eligible buyers.

There is also an inequity in deeply discounted ownership for a fortunate few at the expense of those denied more accessible homes as a direct result of First Homes. And even those benefiting from sub-market rents could find themselves paying more housing costs than First Home owners – who will typically be better off to begin with.

We suggest a maximum discount of 40%, to be applied at the discretion of local authorities. Local flexibility should be exercised with reference to transparent criteria and justified by local circumstances.

There is also the question of what discounts are being applied against. Discounts applied in relation to new homes in a relatively small area – where price information is drawn from just a few examples in any period – may encourage developers to increase open market prices. This could be by building higher specification homes, or simply charging more for the same, knowing that many of those unable to afford higher open market prices will qualify for First Homes.

Some reference to all house prices in an area could be included in the benchmark figure, as could size (per square metre), to ensure a more stable reference point. Second-hand homes would not command the premium associated with new builds, which might allow a lower level of First Home discount to be set, while still appearing substantial against new build prices.

Question 2.

- a) Should we set a single, nationally defined price cap rather than centrally dictate local/regional price caps?
- b) If yes, what is the appropriate level to set this price cap? i. £600,000 ii. £550,000 iii. £500,000 iv. £450,000 v. Other (please specify)

Our response

No. A national figure seems inappropriate given the huge difference in house prices around the country.

There is no perfect geographical level for setting price caps, but we suggest that a regional cap with some flexibility for local authorities to vary according to local circumstances might be an acceptable, practical approach. Combined authorities may be sensibly considered as alternatives to regions too, with First Homes being part of their strategic planning remit.

Question 3.

- a) If you disagree with a national price cap, should central Government set price caps which vary by region instead?
- b) If price caps should be set by the Government, what is the best approach to these regional caps?
 - i. London and nationwide
 - ii. London, London surrounding local authorities, and nationwide
 - iii. Separate caps for each of the regions in England
 - iv. Separate caps for each county or metropolitan area
 - v. Other (please specify)

Our response

As noted, there is no perfect answer for setting price caps, but a regional or combined authority cap with some flexibility for local authorities to vary according to local circumstances might be an acceptable, practical approach. The consultation is unclear about situations where market reference prices are so high that even application of the highest discount is insufficient to secure First Homes below the level of a price cap. In such cases, local authorities should be free to use Section 106 contributions to secure other affordable tenures.

Question 4. Do you agree that, within any central price caps, Local Authorities should be able to impose their own caps to reflect their local housing market?

Our response

Yes (see above).

Eligibility for the First Homes scheme

Question 5. Do you agree that Local Authorities are best placed to decide upon the detail of local connection restrictions on First Homes?

Our response

Yes. Local authorities already have connection tests for affordable housing, and these could be the starting point. A national framework within which such local criteria are applied would be useful, however, giving consistent guidance on when and how it is appropriate to relax restrictions.

It will be important in some situations that local authority boundaries are not over-emphasised. Council areas vary hugely in size – Northumberland covers over 1,700 times the area of the City of London’s – so criteria based on actual distances or travel times would be useful to reduce size and boundary distortions. Likewise, it may be sensible to consider both location of residence and work (the latter particularly in the case of key workers).

Question 6. When should local connection restrictions fall away if a buyer for a First Home cannot be found? i. Less than 3 months ii. 3 - 6 months iii. Longer than 6 months iv. Left to Local Authority discretion

Our response

We suggest that 3-6 months from the commencement of marketing a completed unit seems adequate, although where practical a phased approach might be more appropriate than a single cut-off before waiving restrictions entirely. For example, a month’s first option might be given to those specifically seeking a home in that town, then local authority area, then in surrounding areas.

Question 7. In which circumstances should the first-time buyer prioritisation be waived?

Our response

Only in very limited circumstances. There may be specific cases where local authorities have reasons for widening criteria (e.g. acute shortages of some workers) but these should be limited.

Question 8.

- a) Should there be a national income cap for purchasers of First Homes?
- b) If yes, at what level should the cap be set?
- c) Do you agree that Local Authorities should have the ability to consider people's income and assets when needed to target First Homes?

Our response

- a) No, caps needs to be varied according to geographical income and house price variations.
- b) It could be as simple as adopting the caps used for shared ownership, perhaps again with some scope for local authority variation within an agreed framework.
- c) Yes, in the sense of setting eligibility criteria. It is less clear that local authorities should actually be responsible for securing and assessing this evidence. It seems unreasonable to expect local authorities to act as intermediaries in direct sales. Sellers, conveyancers and lenders have more direct interest in the transaction.

Question 9. Are there any other eligibility restrictions which should apply to the First Homes scheme?

Our response

In order to maintain First Homes' availability for those who could not otherwise buy, we suggest that:

- Only those who require mortgages for a high share of the purchase price should be eligible.
- The First Home must be the buyers' sole residence.

Supporting the First Homes scheme

Question 10.

- a) Are Local Authorities best placed to oversee that discounts on First Homes are offered in perpetuity?
- b) If not, why not?

Our response

If local authorities are required to oversee the discounts on First Homes in perpetuity, they should be provided with sufficient resources to ensure that the work does not divert from higher priority tasks. In any case, we note that responsibility for maintenance of local land charges is being passed to the Land Registry, who also record property sales. Conveyancers are responsible for identifying restrictions on homes for which they process sales. We suggest that policing that process might sit better with the Land Registry than local authorities.

Question 11. How can First Homes and oversight of restrictive covenants be managed as part of Local Authorities' existing affordable homes administration service?

Our response

We note that if local authorities are required to oversee this they should be fully reimbursed the cost to ensure that it does not divert from higher priority tasks.

Question 12. How could costs to Local Authorities be minimised?

No response.

Supporting competitive mortgage lending

Question 13. Do you agree that we should develop a standardised First Home model with local discretion in appropriate areas to support mortgage lending?

Our response

Yes. One of the challenges facing current discount market sale homes is the lack of awareness and caution on the part of lenders. A relatively standard national model, created with lender input, would be helpful. Local discretion should be within an agreed national framework.

Question 14. Do you agree that it is appropriate to include a mortgage protection clause to provide additional assurance to lenders?

Our response

Yes. In order to maintain the stock of affordable housing in an area, however, the clause should first seek to switch the home to a different affordable tenure, perhaps through sale to a housing association. Open market sale should be a later option, with the surplus left after the mortgagee has been repaid reinvested in affordable housing.

The mortgage protection clause should absolutely not lead to anyone receiving an unconditional windfall as a result of the loss of an affordable home.

Restrictions on letting First Homes

Question 15. For how long should people be able to move out of their First Home and let it out (so it is not their main or only residence) without seeking permission from the Local Authority?

i. Never ii. Up to 6 months iii. 6-12 months iv. Up to 2 years v. Longer than 2 years vi. Other (please specify)

Our response

There is a significant risk of abuse of First Homes through unauthorised letting, and it is unclear that resources exist to monitor their use.

We suggest that reasons for restrictions on letting for any significant period (possibly less than six months) should be tightly prescribed and at the discretion of a local authority or other administering body, with a fee payable on application.

Letting should be on the basis that the property remains as an affordable (but rented) tenure, or else some other mechanism should capture the difference between the mortgage costs and the income received in rent (minus landlord expenses).

Question 16. Under what circumstances should households be able to move out of their First Home and let it for a longer time period? (Tick all that apply)

i. Short job posting elsewhere ii. Deployment elsewhere (Armed Forces) iii. Relationship breakdown iv. Redundancy v. Caring for relative/friend vi. Long-term travelling vii. Other (please specify)

No response.

Delivering the Armed Forces Covenant

Question 17. Do you agree that serving members and recent veterans of the Armed Forces should be able to purchase a First Home in the location of their choice without having to meet local connections criteria?

Our response

Yes.

Question 18. What is the appropriate length of time after leaving the Armed Forces for which veterans should be eligible for this exemption?

- i. 1 year
- ii. 2 years
- iii. 3-5 years
- iv. Longer than 5 years

No response.

Question 19. Are there any other ways we can support members of the Armed Forces and recent veterans in their ability to benefit from the First Homes scheme?

No response.

Setting developer contributions for First Homes

Question 20. Which mechanism is most appropriate to deliver First Homes?

- i. Planning policy through changes to the National Planning Policy Framework and guidance
- ii. Primary legislation supported by planning policy changes

Our response

We suggest that First Homes should be delivered through changes to planning policy, as contained in the NPPF and supported by the NPPG. This should be done in such a way that local planning authorities retain the discretion to address local housing need through delivery of a range of affordable tenures including First Homes.

We do not think that legislation change is merited.

Question 21. Which do you think is the most appropriate way to deliver First Homes?

- i. As a percentage of section 106 affordable housing through developer contributions
- ii. As a percentage of all units delivered on suitable sites

Our response

We do not think that a national requirement to deliver a percentage of total homes, or of Section 106 homes as First Homes, is appropriate. The delivery of First Homes alongside other affordable tenures should be at the discretion of the local planning authority, taking into account local housing need.

The current NPPF already requires that at least 10% of the affordable homes on site should be for affordable home ownership, which includes homes for discounted market sale. First Homes could be included within this definition.

First Homes – and more affordable tenures – may not be suitable in every residential planning application and should not be mandated as a proportion of all units.

There are legitimate reasons why a planning authority may not pursue First Homes, or more affordable tenures, in every major development. Infrastructure contributions may be more important, for example, and necessary to support a greater quantum of development, including First Homes, through subsequent applications. Conversely, in some other places, purely open market homes may be appropriate to help develop more balanced communities.

If national targets for the delivery of First Homes are introduced via either option, it will almost inevitably lead to displacement of more affordable tenures. It is important to note that displacement is not simply on a one-for-one basis (of one First Home for one of a more affordable tenure). First Homes are likely to have a negative multiplier effect for a number of reasons, including:

- The displacement of shared ownership homes has a knock-on effect on the overall programme, since shared ownership can cross-subsidise other affordable tenures in the business plan. A reduction in shared ownership delivery could lead to a reduction in delivery of rented tenures as well, unless more grant is made available.
- First Homes require a greater developer contribution than many shared ownership homes – up to twice as much. Thus, each First Home consumes more of the land value available for capture in each scheme, reducing the viable number of affordable homes achievable overall.
- Reduced demand for shared ownership products and potential reduction in affordable rented homes through Section 106 contributions means that the Affordable Homes Programme (AHP) would shoulder more of the load of providing more affordable tenures. With the higher grant rates required for wholly-rented affordable tenures – and perhaps an increase in those rates due to loss of cross-subsidy. This means that the welcome increase in the AHP is unlikely deliver a commensurate increase in affordable supply. Savills research suggested that, if 40% to 80% of Section 106 contributions were diverted, the grant required to compensate could be between £1bn and £2bn per year.

Further, requiring high levels of First Homes is likely to reduce buildout rates overall, given the higher absorption rates on sites with a wider tenure mix and higher proportion of affordable homes.

Finally, housing association (and council) led schemes should be exempt from First Homes requirements. Open sales homes developed in such schemes will be purely for the purpose of cross-subsidising existing affordable tenures.

Question 22. What is the appropriate level of ambition for First Home delivery?
i. 40% of section 106 ii. 60% of section 106 iii. 80% of section 106 iv. Other (please specify)

Our response

The best approach to delivering significant numbers of First Homes should be to make them – as far as possible – additional to existing affordable homes secured via Section 106.

Section 106 is an essential source of affordable homes, providing almost half the national output in recent years. In some places, the percentage is much higher: over 70% in the Home Counties and over 80% in expensive rural districts⁶. Diverting a significant proportion of these would significantly reduce the supply of affordable rented tenures.

National ambition expressed as a percentage of Section 106 delivery should not be applied through application of a blanket requirement in each local area. Local authorities need to retain flexibility to set targets according to local circumstances.

Delivery through exception sites

Question 23. Do you agree with these proposals to amend the entry-level exception site policy to a more focused and ambitious First Homes exception site policy?

Our response

We support a revamp of exception sites policy and use, although this must be done with care to avoid boosting one at the expense of the other, or undermining good planning policy by allowing an easy 'bypass' route.

Use of exception sites should be the exception. There is a danger that making exceptions too easy to achieve would undermine the process of allocating sites through regular planning processes.

⁶ Based on the past three years MHCLG data on affordable completions (Table 1011C)

Where local plans and allocations do not allocate sufficient quality and variety of land (measures of which could be made clearer and more stringent through national policy and guidance), it could be made clearer that exception sites must be more favourably considered. This would give local authorities greater incentive to allocate a suitable range of sites for different types of development and developer.

There is a danger that devoting Entry Level Exception Sites (ELES) to First Homes while leaving Rural Exception Sites for other affordable tenures and with tighter local connection requirements would undermine vital delivery of homes via Rural Exception Sites, by raising landowners' expectations of land values and biasing delivery towards ELES. Policy for both needs to be complementary, rather than competing. This might be achieved by limiting use of ELES to non-rural areas. In both cases, clearer guidance (including expectations on the use) for both mechanisms would be useful, including how local plans should embrace the policies and how applications should be assessed.

The use of market housing on exception sites is another idea which needs careful treatment to avoid unhelpful circularity. Landowner expectation that market homes can be developed on sites not suitable through regular planning allocations would inflate land price expectations: it should be clear that exception sites are only for affordable tenures unless there are abnormal costs which would absorb the increased value achieved through open market sales.

Likewise, removal of the 5%/1 hectare condition attached to current exception site policy needs to be carefully caveated. While perhaps not always a large development in the context of a whole town, such developments are likely to have a significant effect on a considerable neighbouring area and must be properly justified. More generally, sites of such size suitable for development should probably be identified through the regular planning policy process. It may be that the regular planning process should be improved, rather than another 'bypass' introduced.

Question 24.

- a) Do you think there are rare circumstances where Local Authorities should have the flexibility to pursue other forms of affordable housing on entry-level exception sites, because otherwise the site would be unviable?
- b) If yes, what would be an appropriate approach for Local Authorities to demonstrate the need for flexibility to allow other forms of affordable housing on a specific entry level exception site?

Our response

a) Yes. More affordable tenures, backed by housing association bulk purchase, could enable First Home development that might not otherwise be viable.

b) Local housing needs assessments, affordability ratios, social housing waiting lists and people in temporary accommodation all demonstrate the need for more affordable tenures. If there is strong evidence that other sources of supply (such as AHP-funded) will not meet these needs then the flexibility seems justified. In reality, many places where First Homes are viable but not selling at a reasonable rate, will have greater need of more affordable tenures.

Question 25. What more could the Government do to encourage the use of the existing rural exception site policy?

Our response

Improving the uptake of rural exception sites is a worthy ambition and might merit a separate inquiry.

Clearer guidance on the government's expectations for the use of both kinds of exception sites could be useful. By definition, these are not specific sites planning authorities expect or encourage to come forward, so guidance to other parties on how they should promote such sites and on how they should be dealt with by planning authorities could help.

To boost appetite and capacity for promotion of exception sites, renewed support for community land trusts and rural housing enablers could be beneficial.

Simplifying (or better explaining, perhaps through case studies) the process for establishing local connections in the case of rural exception sites could be useful. This process can sometimes be seen as onerous and inflexible.

Question 26. What further steps could the Government take to boost First Home delivery?

Our response

The government could do more to promote the use of additional small sites allocations, which could be prioritised for First Homes without displacing existing affordable tenures on larger sites.

Policy on self-build plots could be reinforced to help bring these forward for First Homes – making clear that they had to be used for First Homes would help keep land value expectations down. Likewise, where there is a clear family connection, policy on garden development could be relaxed. This could allow parents to give their children the chance of a very low-cost First Home. Conditions requiring family occupation might need to be applied for a period, with 30% of subsequent resale prices recovered for use in affordable housing elsewhere.

The government could enter into negotiation with manufacturers of off-site homes to provide them with certainty of pipeline and economies of scale to develop suitable products for use as First Homes. This would have wider market benefits and could help establish the critical mass of such home production to enable it to become a major contributor to mainstream housing supply.

Neighbourhood planning could be given a specific role in identifying sites for First Homes. The local connection requirements might appeal to active citizens keen to manage mainstream development while still helping local (mostly) young people. This could be considered alongside the reform of Local Development Orders and perhaps also as route to introducing some of the recommendations of the Building Better, Building Beautiful Commission.

Additional resourcing for planning departments would facilitate First Home development, but also address many of the other issues which hold back development currently.

Finally, and for longer-term benefit, **we suggest piloting First Homes policy in a limited number of areas before rolling it out more widely**. This would allow easy, early and evidence-based adjustment (difficult once universal roll-out has occurred), boosting the prospects for 'right first time' application in the rest of the country.

Community Infrastructure Levy exemptions

Question 27. Do you agree that the proposal to exempt First Homes from the Community Infrastructure Levy would increase the delivery of these homes?

Our response

Yes. In the case of First Homes released for open market sale, however, the waived CIL contribution should be recouped.

Question 28. Do you think the Government should take steps to prevent Community Infrastructure Levy rates being set at a level which would reduce the level of affordable housing delivered through section 106 obligations?

Our response

There is already a mechanism for setting Community Infrastructure Levy (CIL) at viable and appropriate levels – at least with reference to its own purposes. There is a debate to be had, however, about whether the inflexibility of CIL and some Section 106 contributions (e.g. highways, education) is excessively undermining the viability of affordable housing. However, this discussion needs to be had ‘in the round’, rather than simply imposing changes based on one factor.

Equality impacts of the First Homes scheme

Question 29.

- a) What equality impacts do you think the First Homes scheme will have on protected groups?
- b) What steps can the Government take through other programmes to minimise the impact on protected groups?

Our response

The government should publish the data on which their current equalities assessment is based. We understand that they have specifically declined to do so.

If First Homes displaces provision of social or affordable rented homes, we would expect it to disproportionately impact on some protected groups who are disproportionately likely to need access to social or affordable rent, and less likely to become home owners. In particular:

- Despite only making up 11.9% of the population, BAME households make up 17.4% of social renters.
- Although only 8% of English households contain a person who is registered disabled, 20% of social renting households do.
- Female-headed households are more likely to be social renters than households in general – while only 17% of English households are social renters, nearly 23% of female-headed households are.

In order to mitigate this impact, the government could ensure that First Homes are delivered in addition to new affordable and social rented homes, rather than displacing them.

Question 30. Do you have any other comments on the First Homes scheme?

Our response

Housing associations are keen to work with the government to help people into home ownership. We believe shared ownership is an important part of this, and that First Homes could provide an important additional route. However, this must be delivered in accordance with local need and without displacing much-needed affordable homes to rent.